

**Finding of No Significant Impact/ Decision Record
For
Wyoming Wild Horse Pilot Project
EA# WY-930-01-001
November 2004**

Proposed Action: The Bureau of Land Management (BLM) proposes to revise and update the maximum number of horses that would be permanently pastured with qualified private landowners as described for the Wyoming Wild Horse Pilot Project Environmental Assessment (EA), May 2001.

The BLM proposes to revise and update the maximum number of horses to be permanently placed with each qualified private landowner over a 2 year time period, not to exceed 100 horses with a one-time grant for each horse of \$1,800 per horse. The BLM's proposal would maximize the number of unadoptable horses that would be pastured, and meet the amount of grant funds available based upon increased interest in the program.

Background: The EA describes the proposed action to include, "that the landowner would receive a one-time grant of \$1,000 for each horse over the initial 10 (unadoptable horses to be pastured with a private landowner under this Pilot Project)." In May 2001 a Decision Record and Finding of No Significant Impact (DR/FONSI) was issued, authorizing the BLM to implement the Proposed Action as described in the EA. In addition to defining the one-time grant rate of \$1,000 per horse, a maximum number of placing 60 unadoptable horses per year was proposed and analyzed.

In 2002, the BLM proceeded to implement the EA's Proposed Action. However, during 2002, economic conditions changed, prolonged drought conditions continued, and the BLM had difficulty in finding willing participants for the Pilot Project. To address these changed economic conditions, BLM's grant partners, Wyoming Department of Agriculture and Wyoming State Grazing Board, requested that the BLM develop new Pilot Project incentives for prospective private landowners. These incentives included:

1. Participants would not be required to accept the initial 10 head of horses for free;
2. Participants would be allowed to accept mares and that future foals would become the participant's personal property; and,
3. Increasing the incentive rate of one-time per horse payment.

After evaluating the proposed incentives, the BLM accepted the above first and third incentives and conducted a new cost-efficiency analysis. On January 9, 2003, the BLM amended the EA to revise and update the one-time grant for each horse to \$1,800 per horse, not to exceed 30 horses. By offering the new rate of payment of \$1,800 per horse, several willing participants were found.

After accepting and implementing the changes to a one-time grant rate, between January 2003 and March 2004, the Wyoming BLM has placed 54 horses with two qualified private landowners within Wyoming and has received interest for additional participation from over 40 other landowners. Several of the potential participants have identified an interest in the placement of a larger number of animals (100-500 animals) on their private lands.

Finding of No Significant Impact: Based on the analysis of potential environmental impacts contained in EA WY # 930-01-001 as amended in January 2003 and additional economic analysis prepared within the past 3 months, I have determined that impacts are not expected to be significant and that an environmental impact statement will not be prepared.

Decision: It is my decision to implement the third year of the Wild Horse Pilot Project as proposed, described, and analyzed in EA # WY 930-01-001 at the rate of \$1,800 per horse, and the revised maximum number of horses placed with each qualified landowner over a 2 year period to 100 horses. This decision will allow the BLM to explore cost-effective options that provide safe, humane, and life-long treatment of unadoptable wild horses.

Rationale for Decision: I base my decision on the following rationale:

- After reviewing the issues, alternatives, and environmental analysis documented in EA WY # 930-01-001, I am satisfied that the assessments and conclusions made there are still applicable given the revised maximum of 100 horses placed with each qualified landowner over a 2 year period.
- To address changes in economic conditions, the BLM prepared a new economic analysis and developed the \$1,800 per horse payment rate and the revised maximum number of horses placed. I have reviewed the analysis and am satisfied that it not only reflects the current market and economic conditions, and that the maximum number of horses placed still meets the purpose and need of the Pilot Project by providing cost-effective, safe and humane pasture or rangeland for unadoptable wild horses. The economic analysis is attached to and made part of this Decision.

Compliance and Monitoring: The Wild Horse Pilot Project will be monitored for compliance and project effectiveness. Compliance will be monitored by a BLM compliance officer who shall make at a minimum four compliance checks a year, for the first 3 years of this project. Compliance checks shall include an evaluation of horse health and pasture or range condition. In addition, the BLM will prepare a monitoring and evaluation report summarizing the effectiveness of the Pilot Project, which will be completed on or before 1 year from the signature date below.

Appeal Procedures: Under the provisions of 43 Code of Federal Regulations (CFR) 4770.3, any person who is adversely affected by this decision may file an appeal. Appeals and petitions for stay of this decision must be filed within 30 calendar days of receipt or notification of this decision, in accordance with 43 CFR part 4.

Under the provisions of 43 CFR 4770.3c, this decision shall be effective on the signature date of this decision. This project may be implemented any time after the signature date below.

/s/ Alan L. Kesterke

December 01, 2004

Associate State Director, Wyoming
Bureau of Land Management

Date

11/30/04

Addendum

**Environmental Assessment
Wyoming Wild Horse Pilot Project
Wyoming State Office
EA Number WY-930-01-001
November 2004**

Introduction

The assumptions used in the economic analysis in the Environmental Assessment entitled “Wyoming Wild Horse Pilot Project” that was written in May of 2001 are being changed to reflect a substantially higher Initial One Time Grant. In the 2001 analysis, the Initial One Time Grant was \$1,000 per animal. This amount would be paid to the landowner to provide a safe and humane pasture or rangeland home for unadoptable wild horses for the remainder of their natural lives. Under the new proposal the Initial One Time Grant would be increased to \$1,800, this change represents an 80 percent increase in the Initial Grant.

A second change of note is there will be no mares in this grant program. In other words, the only horses adopted under this program will be geldings. And therefore, there will be no revenue to the landowner from foals under this program.

Assumptions	
Discounting Assumptions	
Discount Rate: 20-Year Treasury Constant Maturity Rate (08/01/04)	5.07%
Number of Years Discounted	15
Grant Costs per Horse	
Initial One Time Grant	-\$1,800.00
Initial Compliance Cost	-\$82.30
Annual Compliance Cost	-\$8.33
Sanctuary Costs per Horse	
Wild Horse Sanctuary Costs per Year	-\$450.00
Costs per Horse	Present Value
Initial One Time Grant	-\$1,800.00
Initial Compliance Cost	-\$82.30
PV Annual Compliance Cost	-\$86.05
Total Grant Cost (PV)	-\$1,968.35
Sanctuary Costs (PV)	-\$4,648.82
Difference in Cost (Sanctuary Costs-Grant Costs)	-\$2,680.47

Finally, the discount rate used to calculate the Present Value (PV) of out year costs for both the May 2001 study and this Addendum are equal to the 30-Year US Treasury Bond rate. That rate was 5.74% in 2001 but the current rate is 5.07%. Consequently, the PV of future estimated costs are slightly less using the lower discount rate to compute the PV of these future costs. The main difference in the 2001 analysis and the Addendum is the higher Initial One Time Grant costs and the elimination of any potential foal revenue.

Analysis Summary

The above table illustrates the revised assumptions used in the Addendum and reflects the estimated savings involved in implementing this program given those same assumptions. Based on this analysis, even though the Initial One Time Grant costs increase by 80 percent to \$1,800 dollars per horse, the program remains cost effective from the standpoint of the government. This is shown by the last row in the Table that indicates the Difference in Cost (Sanctuary Costs-Grant Costs) equals -\$2,680.47 per horse, which means the government saves nearly \$2,680.47 per horse even with the 80 percent increase in One Time Grant costs.